



**Meeting Agenda
Open Pit Backfilling Proposal
Sentinel East Pit**

Date: Nov 20, 2007 10:00 AM

Attendees: Lynn Jackson (BLM) Rebecca Doolittle (BLM), Paul Baker (DOGM), Robert Washnock (LVMC), Lantz Indergard (LVMC)

Objective: Present a conceptual proposal to backfill the Sentinel East pit and identify the NEPA process necessary for approval.

10:00-10:30

LVMC will present a conceptual proposal to backfill the Sentinel East pit using current hydrologic information which demonstrates separation from the BC aquifer. Figures will be handed out comparing new information with information published in the EIS. The figures were developed using VucanTM to depict the Sentinel East pit (plan-view and section-view) relative to the extent of the BC aquifer at the pre-mining elevation. The figures also provide a conceptual design for backfilling the pit as part of Waste Dump C expansion.

Additional hand outs will include Table 2-11 (EIS Impact Summary), ROD interpretations, and Cumulative Adjustments to Mine Plan. The EIS and ROD information is re-tabulated to compare with current information. The cumulative adjustment table is used for comparison with the Centennial pit expansion approved earlier this year.

It is LVMC's intent to solicit these hand outs as work products for the agencies' use, and to streamline the potential approval process moving forward.

10:30-11:00

Identify the scope of NEPA process, including potential flaws. Develop schedule to follow up with thoughts/comments.

11:00-12:00

Adjourn backfill meeting. Resume site visit with DOGM.



Cumulative Adjustment to
Mine Plan
Lisbon Valley Mining Co LLC
San Juan County, Utah

| | Mining Volumes (cu yds) | | Pits | Disturbance (acres) | | | Reclamation and Bonding (\$) | |
|--|-------------------------|------------|-----------------|---------------------|-----------|------------|------------------------------|-------------|
| | Ore | Waste | | Dumps | Leach Pad | Total Mine | Leach Pad | Total Mine |
| Record of Decision/1995 Plan | 32,800,000 | 65,000,000 | 231 | 394 | 266 | 1103 | \$5,569,230 | \$9,521,000 |
| 2007 Amendments (Cent/ILS) | 28,796,643 | 64,882,143 | 255 | 376 | 266 | 1109 | \$5,848,000 | \$9,801,000 |
| Cumulative Adjustment | -12.21% | -0.18% | 10.39% | -4.57% | 0.00% | 0.54% | 5.01% | 2.94% |
| Proposed Amendments (Backfill Sent E) | 28,796,643 | 64,882,143 | 255 246 | 367 | 266 | 1100 | 5848000 | 9801000 |
| Cumulative Adjustment | -12.21% | -0.18% | 10.39% 6.49% | -6.85% | 0.00% | -0.27% | 5.01% | 2.94% |

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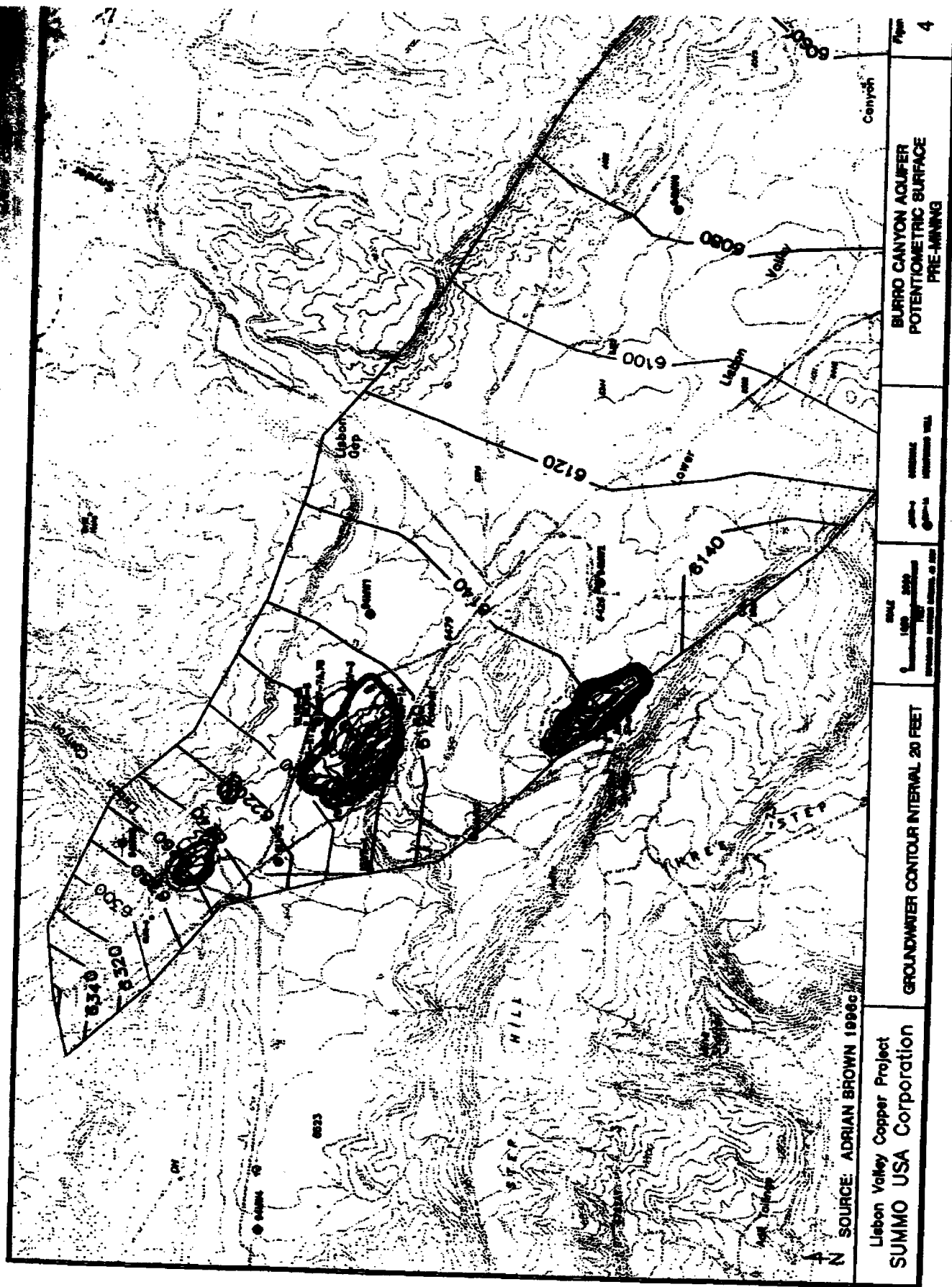


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Sentinel East Backfilling Proposal References relative to ROD

| "The backfill alternative was not selected for the following reasons:" | | Current Information |
|--|--|---|
| Water quality impacts from backfill material, particularly acid-generating material due to increased surface areas of rubblized material, chemical reactions could present a host of unquantifiable adverse impacts to the down gradient aquifers, resulting from chemical interactions of groundwater and waste rock. | | The BC aquifer is less extensive than characterized in the EIS. Current information demonstrates that the Sent East will not interact with groundwater. |
| By requiring a backfill of material from waste dumps to the pits, the engineered placement and isolation of acid-generating material in the dumps would be jeopardized and foregone. | | Mines do not typically handle waste more than once. Therefore, backfilling pits from waste dumps is technically an incorrect statement. Further, pits can be backfilled with selective waste, isolating acid generating material, or not using acid-generating material. Current information demonstrates sufficient acid-neutralizing waste is available from Centennial pit to fill Sent E pit. |
| Visual impact reduction minimal since there will still be surface dumps. Class IV visual rating in Lisbon Valley is not critical. | | |
| Post-mining pit berming, fencing, and signing will minimize public safety. No known safety problems associated with the pre-existing pits for past 20 years. | | |
| Does not conserve resources because backfilling pits will render future recovery infeasible. | | |

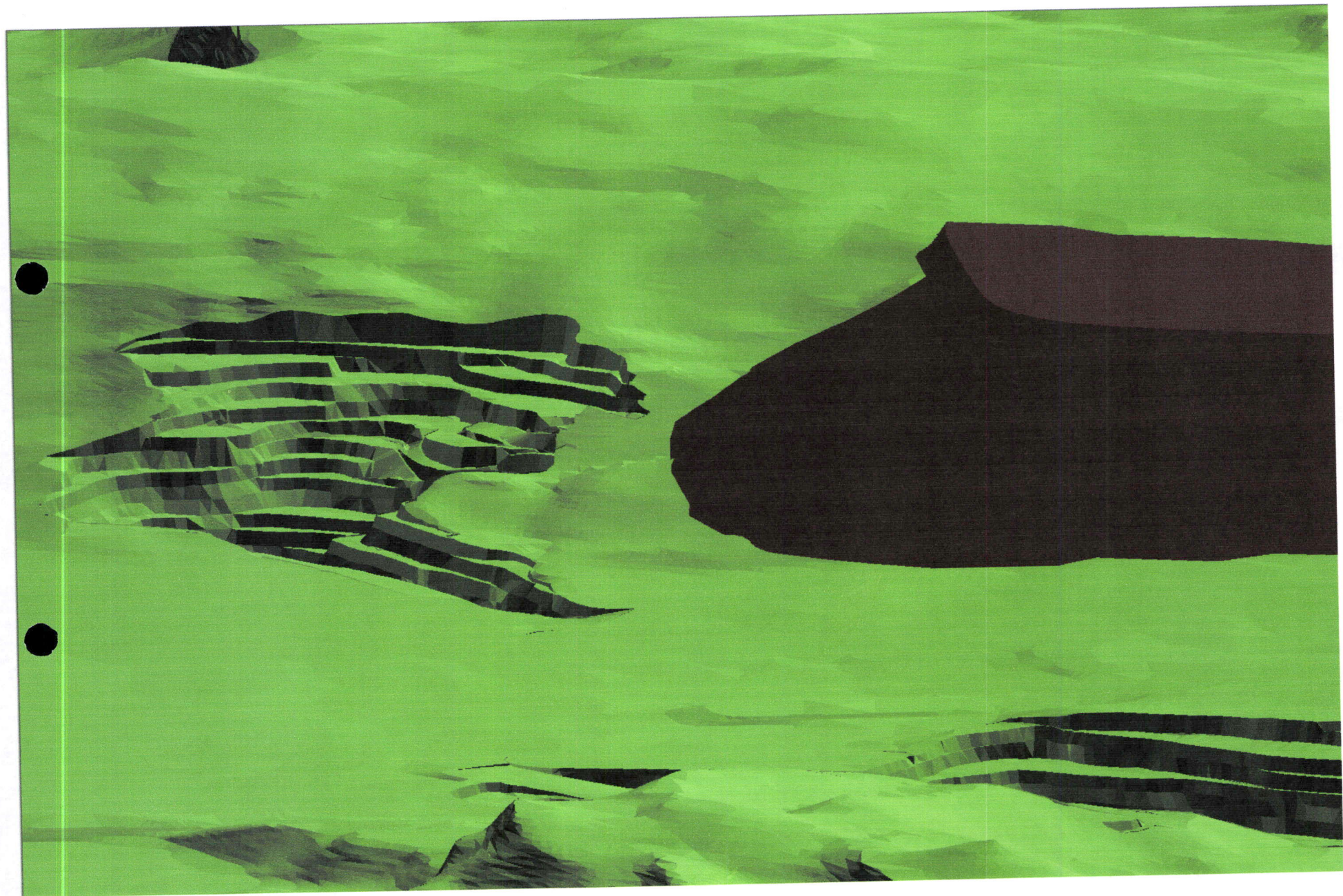




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Current Information
relative to
FEIS Table 2-11

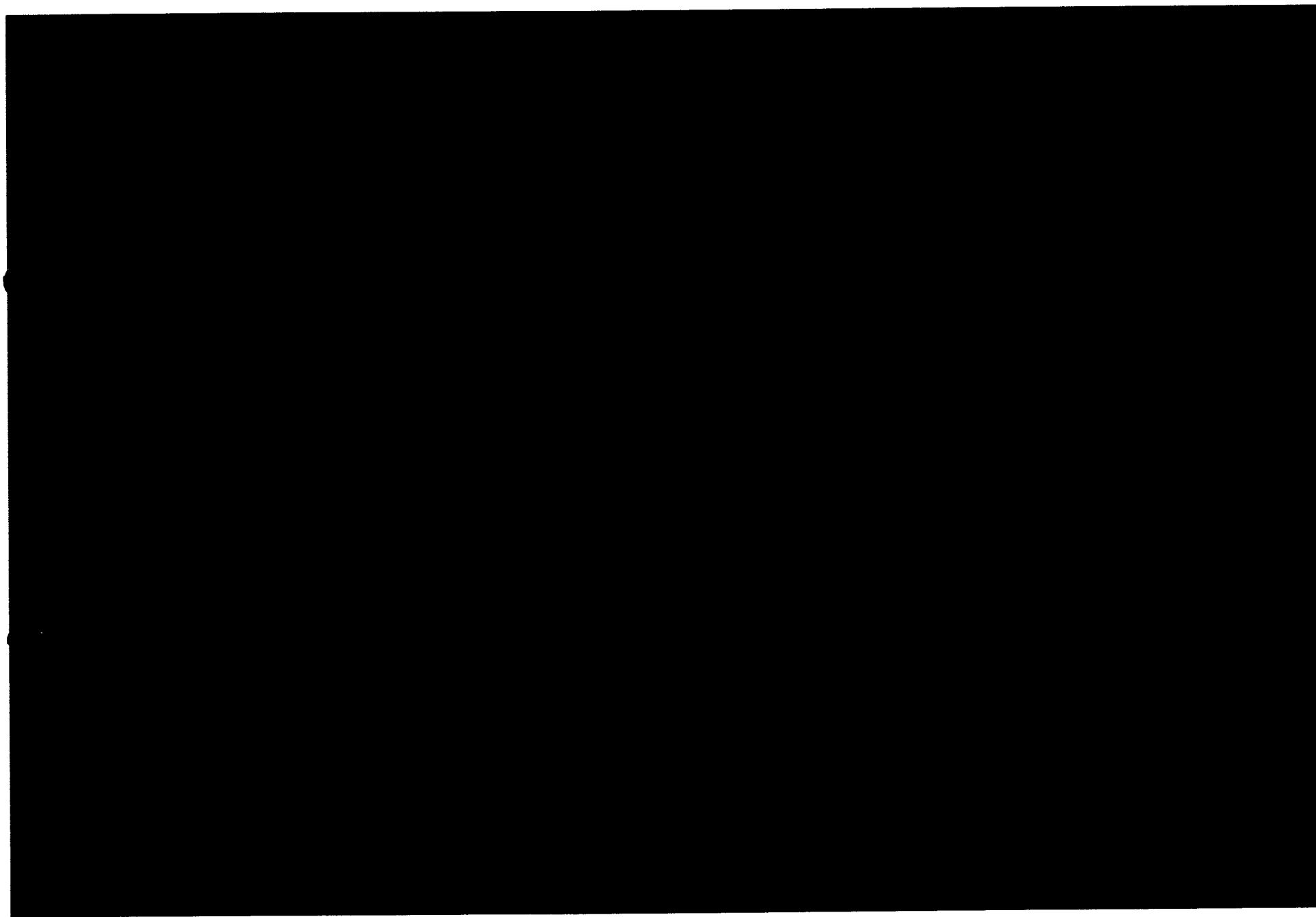
| Type of Potential Impact by Issue | Open Pit Backfilling Alternative | Current Information |
|---|--|---|
| | Reduction in depths of pits and heights of dumps. Would re-establish max useable topography | Agrees |
| Topography | Future mineral development improbable | Mineralization below Sent E not economic @ \$3.50 copper. |
| Mineral Resources | Slope failure potential reduced due to reduced waste dump size. | Agrees |
| Constructed facilities potential failures | No Impact | Agrees |
| Water Supply | Complete backfilling would preserve 177 acres feet of surface water going down Lisbon Canyon. | Backfilling Sentinel East would preserve --- acre feet. |
| Water Use | | |
| | Backfilling would expose waste rock to both potential acid and alkaline generation (in pockets) in pits and pile vicinities; reduced quantity of waste rock exposed to these effects on the surface would be favorable, as would covering of potentially acid or alkaline materials exposed in pit walls, and eliminating evapoconcentration effects. Unknown impact from utilizing waste material on-site for backfill material. Could adversely impact adjacent groundwater units. | Agrees except last two sentences. On-site material is suitable for backfilling Sent E pit. Groundwater does not occur adjacent to Sent E. |
| Water Quality | | |
| | Backfilling would cover some potential acid or alkaline generating lithology, and decrease the amount of similar types of waste rock exposed in surface dumps; however replacement of this rock in pits may produce pockets of acid or alkaline water quality, potentially impacting adjacent groundwater units. | Sentinel East is not adjacent any groundwater units. |
| Acid generation potential | Same as above | Sentinel East is not adjacent any groundwater units. |
| Alkaline generation potential | | |
| | Initial disturbance same as PA but, under the backfilling scenario, all 1,103 ac of disturbance would be reclaimed. Under partial backfilling some dumps would remain on surface, and 231 acres of pits would remain unreclaimed. | 246 acres of pit would remain unreclaimed after expanding Centennial pit and backfilling Sent E pit. |
| Disturbance | | |
| | Less cover soil material required for dumps reclamation, but about 402,494 additional cu yds required for pit reclamation. Necessitating additional disturbance to obtain this material in project vicinity. | 15 kton additional topsoil required, however does not require additional disturbance due to soil resources from ILS pond. |
| Soil Quantity for Reclamation | Pit backfilling would reduce slope angles and erosion potential on pit walls and waste rock piles. | Agrees |
| Erosion Control and Reclamation Effectiveness | Same as PA except 1103 ac reclaimed with complete backfilling scenario. Partial backfilling would result in no reclamation along pit walls, backfilled areas could be revegetated. | Agrees |
| Disturbance of PJ, Grassland & Rangeland. | | |
| Habitat Effects from Disturbance | Same as PA except 1103 ac reclaimed with complete backfilling scenario. | 9 additional ac reclaimed |
| Project Construction and Operations effects to Wildlife | Same as PA except long term exposure to pit lakes would not occur. | No pit lake in Sent E |
| Project Closure Effects | No net loss of habitat if pits backfilled and reclaimed. | Agrees |
| T&E | Same as PA | Agrees |
| Disturbance of Grazing Lands-Temporary & Permanent Acreage Losses | Same as PA | 9 additional ac reclaimed |
| | Similar to PA, partial backfilling assumes no future grazing use on pit floor and same losses as PA, full backfilling assumes temporary loss of 71.6 AUMs during mining, full reclamation and no loss of AUMs in long term | Preserves approx 3 AUM |
| Animal Unit Effects | Same as PA | 9 additional ac reclaimed |
| Final Reclamation | | |
| | Backfilling pits could decrease economic and employment effects due to the mine being scaled back as the backfill costs cut into profitability. Also would be loss of employment and economics of future mining. | Positive economics related to pit backfilling. |
| Economics and Employment | Similar to PA but with smaller mine and shorter project life, demand for housing would also be smaller and shorter in duration. | Agrees |
| Housing | Effects on local infrastructure could be shortened, schedule and mine size would be scaled back. | Agrees |
| Local Facilities and Services | Same as PA | Agrees |
| Social Setting | Impacts similar to PA but reduced in time to local network due to backfilling activity limiting mine size. | Agrees |
| Local Mine-Induced Traffic | Increase in internal mine truck trips to backfill pits, no increase in haulm trips anticipated across Lisbon Valley Road intersection. | Decreased traffic from shorter haul. |
| Mine Operations Traffic | | |
| Accidents | Similar to PA although shortened mine life, duration of accident risk would be reduced. | Agrees |
| Road Maintenance | Less wear on County roads due to reduced scale of project, decreasing road maintenance costs to the County. | Agrees |
| | Duration may be reduced, due to reduced scale of project, Acid material trips reduced accordingly, fuel trips would increase by backfilling by truck. | Agrees |
| Transportation | | |
| Storage and Use | Similar to PA, shorter mine life, reduced duration and risk of spills. | Agrees |
| Generated Wastes | Same as PA | Agrees |
| Cultural Impacts | Same as PA | Agrees |
| Collection/Vandalism | Same as PA | Agrees |
| Impacts to Paleontology | Same as PA | Agrees |
| Visual Contrasts during operations | Same as PA | Reduce visual impacts |
| Residual visual effects after reclamation | Long-term effects less than PA due to decreased height of waste dumps, and backfilled pits present less visual impact | Agrees |
| Land Use Changes | Use changes shorter in duration due to reduced mine life. Complete backfilling would return 231 acres to potential use. | Agrees |
| Property Ownership changes | Same as above | Agrees |
| | Not capable of being modeled with existing methodology, additional particulate emissions would occur from "double-handling" of waste rock | Reduced emissions from shorter haul. Waste is not double-handled. |
| Compliance w/Air Quality Standards | Same as above | Same as above |
| Increments of Air Contaminants exceeding background levels | Same as PA except reduced project life. | Agrees |
| Noise Level Impacts | No change from current use. | Agrees |
| Displacement of Recreation | Same as above. | Agrees |
| Property Access | | |





~ 8,993 Ktons

The photograph shows a vast, flat expanse of white ice floating on a dark blue-grey sea. The horizon is visible in the distance. The text '~ 8,993 Ktons' is printed in white in the upper-middle section of the image. On the left edge of the photograph, there are two black circular punch holes.



~ 8,993 Ktons

Sentinel East Pit- 27 Years Post-Mining

